From:

Wayne Hedberg

To:

Mnrls

Date:

2/18/98 12:05pm

Subject:

Results of Barrick Mtg. - Accelerated Schedule for Closure Plan

On February 18, 1998, Wayne Hedberg and Mary Ann Wright met with Glenn Eurick of Lak Minerals/Barrick Resources to discuss a proposed accelerated closure schedule for the Barrick Mercur Gold Mine. This E-mail memo will document the details discussed during that meeting.

Glenn indicated that a recent directive from their parent company's Toronto, Canada office has resulted in the decision to accelerate the current closure schedule for the mine. The president of Barrick has directed the local Barrick personnel to complete all closure and reclamation work by the end of 1998 calendar year (only exception is the tailings impoundment). This will involve hiring outside consultants and contractors to perform the required work, rather than using Barrick's local mine personnel/staff as originally planned.

Glenn indicated that this means compressing the original proposed closure schedule (1998-99) into one year now. Golder and Associated have been hired to serve as the "Engineer of Record" who will be responsible for developing all the detailed construction design drawings for closure and reclamation of the mine. Golder will prepare all necessary drawings to send out for letting bid contracts. Anticipate going out for bid sometime in March and to let contracts to begin work in April 1998. We will be provided with copies of all appropriate detailed design drawings as they are completed by Golder for our review and approval.

Clay Lambda will now remain in SLC to oversee/manage and make decisions for the overall mine closure process. Lennie Boeilho (pronounced Bo-tell-o) will be coming in to work with Glenn in May/98 to be the on-the-ground person to manage the reclamation work at the mine (he'll be our direct contact person).

Some of the Key Points that will change from what we presently have in the latest (January 6, 1998) amended closure plan are as follows:

- 1) Golden Gate Pit was not mined out as originally planned so there will not be the amount of projected backfill material to place into the Mercur and Sacramento pits. Therefore the Mercur basin will not free-drain into the Golden Gate basin as originally proposed. All other drainage from the mine site area will effectively drain into the Golden Gate basin as originally planned.
- 2) the main mine access road (leading over into Manning Canyon) which will remain at end of mine life will be relocated somewhat from its present layout on the conceptual design drawings. Glenn stated Golder is preparing new drawings showing a revised corridor to bring the road further up on top of the high wall, rather than constructing it across the recontoured waste road dump slope. There is also a chance that the proposed tie-in location to the existing Manning Canyon county road may change as well (to keep road further away from tailings impoundment).

Mary Ann asked Glenn how many roads were to remain after reclamation. Glenn indicated that 2 major roads were proposed (Manning Canyon & Meadow Canyon) and possibly two minor roads (Silverado and Sunrise Canyons). Glenn is trying to convince management to forego leaving the two minor roads, so this may change the plan ultimately.

Glenn indicated that Barrick has signed a contract to have Greg Slader (contractor out of Nevada) come in to perform all of the hydro seeding work for the entire mine basin in October/98. Therefore, all recontouring, regrading and topsoiling work will need to be completed by end September/98.

At end of meeting, Glenn committed to provide us with a letter by early next week containing the following information:

1) a proposed schedule (days and time) for joint monthly meetings with Barrick personnel to discuss ongoing closure and reclamation work at the mine. We may choose to meet in SLC, at the mine, or both. (Glenn anticipates beginning the meetings in March and continuing through July. Tuesday afternoons were suggested as good for Barrick, but they are flexible.)

2) a proposed schedule for Golder to provide us with additional detailed construction design drawings.

A COPY OF THIS MEMO WILL BE COPIED TO THE MINE FILE (M/045/017)

CC:

**MWright**